



Seplat Petroleum Development Company Plc

Anti Bribery and Corruption Policy

Adopted by the Board on 24 March 2015

1. INTRODUCTION AND PURPOSE

- 1.1 SEPLAT is committed to the highest standards of integrity and business ethics. The Company achieves its success through honesty, fairness and transparency, and enforces a strict zero-tolerance policy against unethical behaviour, such as Bribery and Corruption.
- 1.2 Bribery and Corruption are criminal offences in Nigeria, U.K., U.S and most other countries. Although SEPLAT is incorporated in Nigeria and subject to Nigerian law, our listing in the London Stock Exchange makes the Company also subject to U.K. law. In addition, anti-bribery and corruption laws in the U.S. also apply to non-U.S. persons and entities that participate in Corruption while in the U.S. or on behalf of U.S. persons or entities.
- 1.3 Respect of law is one of SEPLAT's key values, and the Company goes beyond compliance toward a value inspired culture.
- 1.4 The purpose of this Anti-Bribery and Corruption Policy ("Policy") is to reinforce SEPLAT's zero tolerance for Bribery and Corruption, establish the parameters within which the Company will deal with Bribery and Corruption, protect the Company and its Directors and Employees from criminal prosecution and penalties, and safeguard the assets of the shareholders.

2. APPLICABILITY

- 2.1 This Policy applies to all Directors, Employees, and Business Partners.
- 2.2 This Policy applies to all transactions conducted by, with or on behalf of SEPLAT anywhere in the world.

3. RESPONSIBILITY

- 3.1. The Board shall have overall responsibility in ensuring that this Policy: (i) is updated as required to remain in compliance with applicable laws in force, and (ii) is implemented and strictly enforced to demonstrate SEPLAT's visible commitment to eradicating Bribery and Corruption.
- 3.2. The Head, Business Integrity shall be responsible for the day-to-day implementation and enforcement of this Policy, including the conduct of training, compliance programs, and investigations.
- 3.3. Managers shall be responsible to lead by example and to diligently monitor implementation of this Policy by Employees within their units/departments.
- 3.4. Each Employee is responsible for reading this Policy carefully, understanding and complying fully with this Policy – in letter and in spirit. Each Employee will be responsible for making an initial assessment as to whether or not the transaction/activity in which he/she is involved violates this Policy.

4. DEFINITIONS

For purposes of this Policy, the following definitions of key terms shall apply:

- 4.1 "Board" means the Board of Directors of Seplat Petroleum Development Company Plc.
- 4.2 "Bribe" means directly or indirectly giving *anything of value* to a Public Official or Business Partner for the purpose of influencing an official act, securing an improper advantage, or obtaining or retaining the business of any person or entity. "*Anything of value*" can include, but not limited to:

monetary gains, upgrade to first class airfare, sponsoring school tuition for family members, providing cars for personal use, doing business with a company owned or controlled by a Public Official, or hiring a family member of a Public Official.

- 4.3 "Bribery" means the soliciting, offering, promising, giving, accepting or receiving of a Bribe.
- 4.4 "Business Partner" means the contractors, business partners, consultants, brokers and agents with whom or through whom SEPLAT does business.
- 4.5 "Charitable Contribution" means a cash or kind contribution made to non-profit associations or organizations for social, educational, environmental and cultural benefit.
- 4.6 "Corruption" means the abuse or illegitimate use of office for financial or non-financial private gain, and includes Bribery, soliciting or receiving Facilitation Payments and Kickbacks, money-laundering, embezzlement, misappropriation, fraud and other related offences.
- 4.7 "Director" means a member of the Board.
- 4.8 "Employee" for the purpose of simplicity only, means someone employed by SEPLAT and/or its affiliates and non-employees such as: contract staff, agent and consultant working for SEPLAT and/or its affiliates.
- 4.9 "Facilitation Payment" means the payment of a small, unofficial amount or advantage to a Public Official without a written receipt in order to secure or expedite a routine government action. For example, making "grease" payments to arrange or speed up a service like issuing a passport or visa, or obtaining approvals and licenses, or to avoid prosecution by authorities or penalties.
- 4.10 "Head-BI" means the Head of the Business Integrity department of SEPLAT.
- 4.11 "Kickbacks" mean payments made in return for a business favour or advantage.
- 4.12 "Political Contribution" means a cash or kind contribution made to a politician, political campaign or a political party or committee.
- 4.13 "Public Official" means any local or international (i) person engaged or employed in any capacity in the public service of any government entity or any entity that is partially or wholly owned or controlled by the government, (ii) officer of a political party, or (iii) political candidate.

5. RELATED POLICIES

- 5.1 This Policy should be read together with the Gifts and Hospitality Guidelines, Conflicts of Interest Policy, Related Party Transactions Policy, and Related Party Transactions Guidelines.

6. REGULATORY CITATIONS

- 6.1 In the context of Bribery and Corruption, due consideration has been given to: (i) Corrupt Practices and Other Related Offences Act, Cap C31 LFN 2004, (ii) Economic and Financial Crimes Commission Act, Cap E1 LFN 2004, (iii) Money Laundering Act, Cap M18 LFN 2004, (iv) UK Bribery Act 2010, (v) OECD Anti-Bribery Rules, and (vi) US Foreign Corrupt Practices Act.

7. POLICY STATEMENT

- 7.1. SEPLAT expressly prohibits any form of direct or indirect Bribery and Corruption in all dealings with any person and in any part of the world.
- 7.2. Directors and Employees are expressly prohibited from initiating, receiving or participating in any form of Bribery and Corruption while performing their duties to SEPLAT anywhere in the world.
- 7.3. The Board shall ensure the implementation of programmes to counter Bribery and Corruption in SEPLAT, such as:
 - (a) Embedding of ethical values, the Code of Conduct, and Policies and Procedures;
 - (b) Establishing an Anti-Bribery and Corruption (ABC) programme;

- (c) Developing and implementing a risk management and control mechanism, employing internal and external communication, trainings, audits or any other suitable methodology;
- (d) Integrating Corruption prevention initiatives and strategies in the Company's business operations and activities;
- (e) Ensuring the implementation of a mechanism for Directors and Employees to report violation of this Policy; and
- (f) Receiving, reviewing and taking action on Corruption reports, and making reports to the public and appropriate government authorities where necessary.

8. GIFTS AND HOSPITALITY

- 8.1. Directors and Employees shall not receive, offer, solicit or arrange through third parties any Bribe, whether or not intended for his/her benefit or the benefit of a family member, friend, associate or acquaintance.
- 8.2. Directors and Employees may offer or receive gifts or benefits to the extent, in the manner and on the occasions recognized by SEPLAT's *Gift and Hospitality Guidelines*. Directors and Employees shall, before offering or receiving any gift or benefit, ensure that such gift or benefit meets the following requirements:
 - (a) it is not given, and cannot be perceived, as a Bribe;
 - (b) it complies with the law;
 - (c) it is given in the name of the company, not in the name of an individual;
 - (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
 - (e) it is appropriate and reasonable in light of all relevant circumstances;
 - (f) taking into account the reason for the gift, it is of an appropriate and reasonable type and value and it is given at an appropriate time;
 - (g) it is given without any expectation;
 - (h) it is given openly, not secretly; and
 - (i) it does not involve a Public Official.
- 8.3. Directors and Employees shall obtain the prior written approval before offering or receiving any gift or benefit to or from a Public Official. In the case of Directors, approval shall be given by the Chairman of the Board and/or the Senior Independent Director of the Board, and in the case of Employees, approval shall be given by the CEO.
- 8.4. Any gift or benefit given to or received by any Director or Employee in accordance with this Section 8 shall be immediately reported to the Company and recorded by the Head-BI. Directors shall make their reports to the Board and Employees shall make their reports to the Head-BI.

9. FACILITATION PAYMENTS AND KICKBACKS

- 9.1. Directors and Employees shall not solicit, offer, pay, or authorizing the payment or receipt of any form of Facilitation Payment or Kickback.
- 9.2. If a Director or Employee is asked to give or receive a Facilitation Payment or Kickback, he/she must reject such request and immediately report the incident in accordance with Section 18.3 of this Policy.
- 9.3. If a Director or Employee is not sure whether a requested payment will be deemed as a Facilitation Payment or Kickback, he/she should: (a) be mindful of the reason for the requested payment and whether the requested amount is proportionate to the relevant goods or services, (b) ask for a receipt that details the reason for the payment, and (c) immediately report any suspicions or concerns in accordance with Section 18.3 of this Policy.

10. CONFLICTS OF INTEREST

- 10.1. While this Policy applies to transactions or activities performed on behalf of SEPLAT, Directors and Employees should recognize that their private interests or activities may affect their duties to SEPLAT, and ultimately the reputation and continued success of the Company.
- 10.2. Directors and Employees shall not put themselves in a position where their private interests or relationships interfere with their duties to SEPLAT and the Company's commitment to the eradication of Bribery and Corruption.
- 10.3. While undertaking private activities, all Directors and Employees must avoid any corrupt activity that might lead to, or suggest a conflict of interest with, the business of SEPLAT or the Company's fight against Bribery and Corruption.

11. ABUSE OF POWERS

- 11.1. Directors and Employees shall not do or cause to be done, in abuse of office, any act that is favourable to the rights of any other person, knowing that such act is unlawful, unethical or contrary to SEPLAT's Code of Conduct and Policies and Procedures, and the Company's commitment to zero tolerance to Bribery and Corruption.

12. CAREFULLY CHOOSING AND DEALING WITH BUSINESS PARTNERS

- 12.1. SEPLAT is committed to only doing business with law-abiding, honest, reputable and qualified Business Partners and third parties.
- 12.2. Directors and Employees shall, in selecting and dealing with Business Partners, exercise due care and take reasonable steps and precautions geared towards evaluating Corruption tendencies of actual and prospective Business Partners.
- 12.3. Before appointing any Business Partner or third party and in the course of dealing with them, Directors and Employees shall conduct properly documented due diligence exercises, and actively watch for and report any activity that calls into question the credibility or intention of the Business Partner or third party to comply with anti-bribery and corruption laws, and SEPLAT's Code of Conduct and Policies and Procedures.
- 12.4. Directors and Employees shall not offer or receive any Bribe, Kickback, Facilitation Payment or any portion of a contract payment to or from a Business Partner or third party.
- 12.5. Directors and Employees shall take diligent steps to ensure that our Business Partners do not offer any Bribes, Facilitation Payments or Kickbacks in the course of their dealings with SEPLAT, and shall immediately report any illegal activity. SEPLAT can be held liable for indirect payments that are illegally made, even where there is no evidence that SEPLAT explicitly ordered or sanctioned such payments.
- 12.6. Directors and Employees shall ensure that all SEPLAT contracts include appropriate anti-bribery and corruption provisions to mitigate against the risk of Corruption and to provide the Company with an avenue for terminating the relationship in case of any violation.
- 12.7. Directors and Employees shall not corruptly use the SEPLAT's contracting and procurement processes to channel or receive payments to or from employees of Business Partners or third parties.
- 12.8. Directors and Employees must not connive with or assist a Business Partner to circumvent the law, SEPLAT's Code of Conduct and Policies and Procedures in order to secure or maintain a business.

13. DEALING WITH PUBLIC OFFICIALS

- 13.1. Directors and Employees shall not offer or receive Bribes, Kickbacks, Facilitation Payments, or any portion of a contract payment to or from Public Officials.
- 13.2. Directors and Employees shall not connive with Public Officials to circumvent the law.

- 13.3. Directors and Employees shall ensure that all dealings with Public Officials comply with the law and are properly documented, including the issuance of properly documented official invoices and receipts.

14. POLITICAL CONTRIBUTIONS

- 14.1. Directors and Employees should recognize that Political Contributions can be used to obtain unfair advantages and may lead to Corruption.
- 14.2. Directors and Employees shall not make any direct or indirect Political Contribution without the prior approval of SEPLAT, pursuant to Section 8.3 above.
- 14.3. SEPLAT respects the right of Directors and Employees to make personal Political Contributions, provided they are not made, and perceived as not made, in any way to obtain a business advantage for SEPLAT. In particular, Directors and Employees must:
- (a) not use SEPLAT's time, assets and resources to carry out or support personal political activities;
 - (b) always make clear that views and actions are personal, and not that of the Company; and
 - (c) seek the written approval of the Board before seeking or accepting a public office.

15. CHARITABLE DONATIONS

- 15.1. Directors and Employees shall not use Charitable Contributions and sponsorships as subterfuge for any form of Bribery and Corruption.
- 15.2. All Charitable Contributions made by or on behalf of SEPLAT must receive the prior written approval of the Board and thereafter must be properly documented and reported to the Board. The Board shall ensure that Charitable Contributions are publicly disclosed in the Company's annual reports.

16. BLACKMAIL AND EXTORTION

- 16.1. SEPLAT does not give in to any direct or indirect form of blackmail or extortion.
- 16.2. Directors and Employees must immediately report any form of blackmail or extortion in accordance with Section 18.3 of this Policy.

17. RECORD KEEPING AND INTERNAL CONTROLS

- 17.1. SEPLAT expressly prohibits off-the-books, secret accounts or any other illegal, illegitimate or unethical practices.
- 17.2. Directors and Employees must maintain books and records of all SEPLAT transactions and activities in reasonable detail to accurately and fairly reflect such transactions and activities.
- 17.3. The Business Risk and Controls Department shall establish and maintain an effective system of internal controls to ensure checks and balances over SEPLAT's accounting and record keeping practices, and other relevant business processes. The system of internal controls shall be subject to regular review and audit to ensure its effectiveness in combating and countering Bribery and Corruption.

18. VIOLATION AND REPORTING

- 18.1. SEPLAT shall enforce a zero-tolerance policy for any violation, and failure to report any violation, of this Policy, including and up to termination of directorship, employment, or business relationship.
- 18.2. Any Director, Employee, or Business Partner who violates this Policy may also be in violation of anti-bribery and anti-corruption laws and may be subject to criminal prosecution with the imposition of fines and/or jail time, if found guilty.
- 18.3. Directors, Employees and Business Partners are required to comply with this Policy and to immediately report any violation of this Policy. Do not bury your head in the sand.
- (a) Directors must report suspected violations to the Board.

(b) Employees must report suspected violations to:

- i. their Line Manager or General Manager,
- ii. a representative of the Business Integrity Department, or
- iii. a representative of Seplat Legal.

(c) All Directors, Employees, Business Partners and third parties must report suspected violations to the Whistleblowing Hotline at +234 800 444 1234 or SpeakUp@seplatpetroleum.com). Please be assured that all reports to the Whistleblowing Hotline will be treated in strict confidence.

19. AMENDMENTS

19.1 This Policy may be amended from time to time by the Board.